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Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Re:

Ex Parte Notice - WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208.

Petitions for Waiver - Adak Eagle Enterprises and Windy City Cellular

Dear Ms. Dortch:

This letter memorializes discussions that took place on December 7, 2012, among Andilea Weaver, Chief Operations Officer for Adak Eagle Enterprises, LLC ("AEE") and Windy City Cellular, LLC ("WCC"), and Monica Desai and Jennifer Richter, counsel for AEE and WCC, with Michael Steffen, Advisor to Chairman Genachowski, and the following personnel in the Wireline Competition Bureau and Wireless Telecommunications Bureau: Julie Veach, Rebekah Goodheart, Jane Jackson, Joseph Cavender, and Joseph Sorresso. This letter also reflects a related discussion with Angela Kronenberg, Advisor to Commissioner Clyburn, and a separate discussion between Ms. Veach and Ms. Desai. The discussions focused on the Petitions for Waiver filed by AEE and WCC.¹

AEE and WCC discussed the need to continue with interim relief for WCC and provide some level of interim relief to AEE while the Commission staff further evaluates the Petitions and works with AEE and WCC to evaluate the potential for further cuts in spending.

The companies noted that they are obligated to make payments on the RUS loans they received to fund their infrastructure investment, are obligated under the rules of the Alaska Regulatory Commission to provide certain basic levels of service, and desire the ability to provide high quality, comprehensive service to their customers on Adak Island.

The companies also noted that even with continued interim relief, the immediate reductions in funding remain inconsistent with the Commission's statements that there would be no flash-cut implementation of new rules:

¹ See Petition for Waiver of Adak Eagle Enterprises, LLC, WC Docket No. 10-90, et al., filed May 22, 2012 ("AEE Petition"); Petition for Waiver of Windy City Cellular, LLC, WC Docket No. 10-90, et al., filed April 3, 2012 ("WCC Petition").

<u>No flash cuts</u>. New rules should be phased in over a reasonable time period. Policymakers must give service providers and investors time to adjust to a new regulatory regime.²

The companies emphasized that while they continue to make numerous spending cuts in the wake of the *USF/ICC Transformation Order*,³ the ongoing inability to make long-term budget and investment decisions is inconsistent with the idea of a stable and predictable funding environment that allows service providers to adjust to a new regime.

The companies remain committed to providing any additional information staff desires, and will gladly elaborate on any information previously submitted. The companies look forward to working with Commission staff to come to a long-term resolution of their waiver requests as quickly as possible.

Respectfully submitted,

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² Federal Communications Commission, Omnibus Broadband Initiative, Connecting America: The National Broadband Plan, GN Docket No. 09-51, 143 (2010) (emphasis added).

³ See Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, 26 FCC Rcd 17663 (2011) ("USF/ICC Transformation Order").